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NEWS RELEASE

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FORMER SACRAMENTO CITY SUPERINTENDENT PLEADS GUILTY TO BRIBERY

SACRAMENTO-- United States Attorney McGregor W. Scott, Sacramento FBI Special Agent-in-Charge Drew Parenti, and Sacramento Police Chief Rick Braziel announced today that BARRY HOLLAND, age 60, of Carmichael, entered a guilty plea to accepting unlawful bribes while serving as Superintendent for the City of Sacramento's Water Distribution Branch. HOLLAND pled guilty to a one count information charging him with violation of 18 U.S.C. § 666, bribery in connection with a municipality that receives federal funds, this morning before the Honorable Garland E. Burrell, Jr., Chief United States District Court Judge.

This case is the product of an extensive investigation by the FBI and the City of Sacramento Police Department.

"Mr. Holland compromised the public trust by accepting kickbacks in performing his duties for the City of Sacramento. He now stands convicted of a federal crime. The FBI and Sacramento Police Department are to be commended for their work in this case," stated United States Attorney Scott.

Special Agent-in-Charge Parenti affirmed, "Public corruption is one of the top priorities of the FBI, and we are committed to investigating those who choose to misuse their positions to violate the public's trust. This was a long-term, complicated case, and we were pleased to partner with the Sacramento Police Department in this joint investigation and hope the results will discourage others from engaging in similar behavior."

And Sacramento Chief of Police Rick Braziel said, “This successful investigation of corruption in city government is a direct result of employees coming forward and reporting misconduct. Criminal behavior in the workplace will not be tolerated and will eventually catch up to the few who try, even in retirement as it did Barry Holland”

According to Assistant United States Attorney S. Robert Tice-Raskin, who is prosecuting the case, from 1999 through early 2006, HOLLAND was the Water Distribution Superintendent for the Water Distribution Branch, Field Services Division, Department of Utilities, City of Sacramento. The Water Distribution Branch, as part of its normal business operations, commonly removed used water meters utilized by its municipal customers and then caused these used meters to be disposed.

From at least 1999 through 2005, one Sheldon M. had an oral agreement with the Water Distribution Branch under which he would retrieve used meters from the Water Distribution Branch, transport the same to a recycler, and sell the same for profit. Sheldon M. would then keep a portion of the meter sale proceeds for himself as a fee and would maintain a separate portion of the meter sale proceeds in a “slush fund” which he later would disburse to certain employees of the Water Distribution Branch, including HOLLAND, or utilize to make purchases for the benefit of the Water Distribution Branch. Between October, 1999 and November, 2005, defendant HOLLAND accepted approximately 16 checks and cash totaling approximately \$10,371 as rewards from Sheldon M. for allowing Sheldon M. to sell the water meters. HOLLAND also accepted various machinery (then retained by the Water Distribution Branch), including two air motors with a combined value of approximately \$7,200, and a tapping machine with an approximate value of \$8,000 to \$9,000 from Sheldon M., also as rewards from Sheldon M. for allowing Sheldon M. to sell the water meters.

The maximum statutory penalty for the bribery conviction is 10 years of imprisonment and a fine of \$250,000. The actual sentence, however, will be determined at the discretion of the court after consideration of the Federal Sentencing Guidelines, which take into account a number of variables, and

any applicable statutory sentencing factors. As part of the plea agreement, defendant has agreed to pay restitution to the City of Sacramento in the amount of \$10,371.62.

Sentencing is scheduled for April 11, 2008, at 9:00 a.m., before Judge Burrell.

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